## Morris, Nichols, Arsht & Tunnell LLP

1201 NORTH MARKET STREET
P.O. Box 1347
Wilmington, Delaware 19899-1347

302 658 9200 302 658 3989 Fax

KAREN JACOBS LOUDEN (302) 351-9227 (302) 425-4681 klouden@mnat.com

March 8, 2006

## **BY E-FILING**

The Honorable Gregory M. Sleet United States District Court 844 North King Street Wilmington, DE 19801

Re: Synopsys, Inc. v. Magma Design Automation

C.A. No. 05-701 (GMS)

Dear Judge Sleet:

On January 23, 2006, plaintiff Synopsys filed a motion to bifurcate and stay antitrust claims and to bifurcate and stay all claims affected by likely PTO reexaminations. (D.I. 31). As the title reflects, one of the grounds on which Synopsys based its motion was that the US Patent Office would likely be reexamining two of the patents in suit -- U.S. Patent Nos. 6,434,733 and 6,766,501 -- and that such reexamination would likely have an impact on the claims relating to those patents, including Magma's antitrust and state law claims. We write to advise the Court that the US Patent Office has now granted the requests for reexamination of these two patents. (The Orders granting the reexamination requests are attached as Exhibits A and B).

Respectfully,

/s/ Karen Jacobs Louden klouden@mnat.com Karen Jacobs Louden

/cbh

Attachments

cc: William J. Wade, Esq. (w/enc.) (by hand and e-filing)

Chris Scott Graham, Esq. (w/enc.) (by telecopy)

James Pooley, Esq. (w/enc.) (by telecopy)

510216